

State of California
Energy Resources Conservation and Development Commission

In the Matter of :)	Docket No. 97-AFC-1
)	
Application for Certification of)	ERRATA TO THE STAFF ASSESSMENT
the High Desert Power Project)	AND ADDITIONAL STAFF WITNESS
_____)	QUALIFICATIONS

INTRODUCTION

On March 9, 1999, the High Desert Power Project (HDPP) Committee issued a Second Prehearing Conference and Scheduling Order, directing staff to file errata to its Staff Assessment (SA) on March 19, 1999. The purpose of this submittal is to transmit staff's SA Errata and to update staff's witness identification and qualification list.

WITNESS IDENTIFICATION AND QUALIFICATIONS

Staff is proposing to substitute Steve Munro, for Robert Brand, as the sponsor of the SA section "General Conditions, Including Compliance Monitoring and Closure Plan". Steve Munro's qualifications and declaration are enclosed. Staff is proposing to substitute Robert Anderson, for Robert Brand, as one of staff's witnesses for "Facility Design"; his qualifications and declaration are enclosed. Staff is proposing to substitute David Flores, for Greg Newhouse, as staff's witness for "Traffic and Transportation"; his qualifications are contained in the SA and his declaration is enclosed. Matthew Layton will prepare the analysis of dry cooling to be submitted on April 9, 1999; his qualifications are enclosed, a declaration will be filed with his written testimony. Linda Bond's qualifications and declaration was left out of the SA; her qualifications and declaration are enclosed.

Respectfully submitted,

CARYN J. HOUGH
Attorney for Energy Commission Staff
1516 9th St.
Sacramento CA 95814

Tel: (916) 654-4178
FAX: (916) 654-3843
e-mail:chough@energy.state.ca.us

PROJECT DESCRIPTION

Errata to the Testimony of Richard K. Buell

1. SA Page 14, 2nd paragraph under natural gas pipeline, first sentence should be modified as follows:

On April 8, 1998, the applicant informed staff that it is considering an additional 30-inch natural gas pipeline connection with the Pacific Gas and Electric ~~or~~ and Kern River Pipeline systems.

PALEONTOLOGIC RESOURCES

Errata to the Testimony of Kathryn M. Matthews

1. SA Page 384, under ***Federal Guidelines for Paleontologic Resources***, delete the second bullet preceding the second sentence. This sentence is a goal statement that belongs under bullet 1.
 - United States Dept of Interior, Bureau of Land Management: BLM Manual, New Section 8270, Paleontological Resource Management; effective July 13, 1998. As stated in the new section of the manual, BLM policy is that:
 - The paleontologic resources found on public lands are recognized by the BLM as constituting a fragile and non-renewable scientific record of the history of life on earth, and so represent an important and critical component of America's natural heritage. BLM will exercise stewardship of these resources as part of its public land management responsibility.
2. SA Page 410: Add a new Paleontologic Resource Condition of Certification 11, to reflect US Bureau of Land Management (BLM) jurisdiction over the 32-mile natural gas pipeline proposed by Southwest Gas Company to supply the proposed HDPP project after condition PAL-10.

PAL-11 The project owner shall ensure that the designated paleontologic resource specialist obtains and maintains a current BLM Paleontologic Resource Use Permit to gain access to lands managed by the US BLM and to conduct any surveys, monitoring, data and/or fossil recovery activities on these lands. This use permit is to be obtained from the state office of the BLM in Sacramento, California, no less than ten (10) days prior to the start of paleontological resource activities governed by the permit.

Verification: The project owner shall provide the CPM with a copy of the BLM paleontologic resource use permit received by the designated paleontologic resource specialist in the next Monthly Compliance Report following its receipt or renewal.

3. On SA Pages 410 through 412: After insertion of the new Cultural Conditions 11 and 12, the existing Cultural Conditions 11 through 14 should be re-designated Conditions 12 through 15.

FACILITY DESIGN

Errata to the Testimony of Steve Baker, Kisabuli, Bob Brand and Al McCuen

1. SA page 416, first paragraph, last sentence should be modified as follows:

The project site is located in seismic zone 4, as delineated on Figure 16-2 of the 1998 California Building Code (CBC).

2. SA page 419, add the following paragraph after the paragraph titled “**LORS and Mechanical Design Criteria**”:

The proposed route for the second natural gas pipeline follows Highway 395 for a distance. Along this portion, the gas line will cross four electric power lines owned by the Los Angeles Department of Water and Power (LADWP). These are 500 kV DC and AC lines that carry over half of Los Angeles' electricity supply at certain times (LADWP 1997). LADWP has expressed concerns about the potential for the gas pipeline to impact the safety and reliability of these power lines (LADWP 1997, 1999). LADWP speaks of the potential hazards from fugitive dust from gas pipeline construction on the electric insulators, induced currents, corrosion, and the possibility that heavy LADWP maintenance and repair equipment might crush the pipeline. To address these concerns, LADWP asks that the applicant be required to consult with LADWP in designing and installing the pipeline. Staff agrees that LADWP's concerns are valid, and proposes a condition of certification (see Condition of Certification **MECH-5** below) to address these concerns.

3. SA page 440, after Condition of Certification **MECH-4**, add the following new condition of certification:

MECH-5 Prior to construction of the natural gas pipeline, the project owner shall coordinate with the owners of any electric power transmission or distribution lines that lie over or near the pipeline route, and shall comply with those owners' standards.

Verification: At least thirty days prior to the beginning of construction of the natural gas pipeline, the project owner shall provide to the CPM written evidence that coordination has taken place with the owners of any affected electric transmission or distribution lines, and written certification that all applicable standards of those owners have been incorporated into the design and construction of the pipeline.

4. SA page 443, under “**REFERENCES**,” add the following references::

LADWP (Los Angeles Department of Water and Power). 1997. Letter to Robert L. Therkelsen, California Energy Commission staff, from Charles C. Holloway, August 5.

LADWP (Los Angeles Department of Water and Power). 1999. Letter to Docket Unit, California Energy Commission, from Charles C. Holloway, February 19.

TRANSMISSION SYSTEM ENGINEERING

Errata to the Testimony of Al McCuen

1. SA Page 465, last sentence in the second paragraph under “Reliability Study Results should be modified as follows:

These problems need to be addressed in SCE’s Annual Planning Studies.^{36a}

^{36a} Since the Cal-ISO’s response to SCE’s Interconnection Study outlined in its October 8, 1998 letter, the Cal-ISO has further evaluated the reliability concern related to the loss of the two Kramer-Lugo 230 kV lines or both Lugo 500/230 kV banks following a 3-phase fault. The results of this evaluation indicate that these two double contingencies meet the ISO Grid Criteria.

ALTERNATIVES

Errata to the Testimony of Richard K. Buell and Eileen Allen

1. SA Page 476, make the following changes to the bullet list under Basic Project Objectives.

- to minimize project costs in order to achieve merchant plant financial viability;
and
- to minimize project environmental impacts-; and
- to locate the facility in an area in which there would be public support for the project.

2. SA Page 479, third and forth paragraphs, should be modified as follows:

Staff also evaluated a smaller size alternative combined cycle configuration - a 240 MW combined cycle project, located at the HDPP site. This smaller project may not fully meet all of the applicant's objectives (e.g., to minimize project costs in order to achieve merchant plant financial viability). However, it would significantly reduce the amount of cooling water required for the project and would reduce the quantity of air emission reduction credits that would be required to permit the project.

California Environmental Quality Act (CEQA) Guidelines identify "[a]n EIR shall describe a range of reasonable alternatives to the project, or to the location of the project, which would feasibly attain **most** of the basic objectives of the project but would avoid or substantially lessen any of the significant effects of the project, and evaluate the comparative merits of the alternatives." [emphases added] (Cal. Code Regs., tit. 14, § 15126.6 (a)). We believe that the smaller size alternative combined cycle configuration both meets **most** of the project's basic objectives and lessens the significance of the effects of the project. Consequently, we believe that it is a reasonable alternative to consider.

The applicant had originally proposed an 832 MW simple cycle configuration as an option in its proposed project. The applicant withdrew this configuration in mid-1998, at which time the staff added it as an alternative. Again, this alternative may not fully meet all of the applicant's objectives (e.g., to minimize project costs in order to achieve merchant plant financial viability). However, it would significantly reduce the amount of cooling water required for the project. We believe that the simple cycle configuration both meets **most** of the project's basic objectives and lessens the significance of the effects of the project. Consequently, we believe that it is a reasonable alternative to consider.

3. SA Page 480, insert the following paragraph before the last paragraph on the page:

In assessing the feasibility of alternative sites, staff examined the issue of whether or not it was likely that a proponent could acquire the property for purpose of developing the site for new power plant. For example, staff eliminated consideration of a potential alternative site on Kaiser Steel's property, due in part, to information that Kaiser Ventures and San Bernardino County would not approve of the development of the property as a power plant site. For the three alternative

sites that passed the screening analysis, staff has discussed with the property owner and/or local agencies the possibilities of development of the sites for electricity power projects. The property owner and/or local agencies identified that development of the property as a power plant site was possible. Consequently, staff is confident that a power plant proposal could be developed at the sites, although staff has not demonstrated that the applicant could purchase the sites or at what cost.

4. SA Page 493, insert the following references after the last paragraph on this page.

REFERENCES

Alvarez, M. 1998. Southern California Edison representative. Interview by Eileen Allen (California Energy Commission), April 28, 1998.

Belden, C. 1998. Industrial real estate broker with Cushman & Wakefield. Telephone conversation with Eileen Allen, March 19, 1998.

Bullard, B. 1998. Rancho Cucamonga Community Development staff. Telephone conversation with Eileen Allen, April 16, 1998.

CEC (California Energy Commission). 1989. Final Staff Assessment for the Luz Solar Electric Generating Station (SEGS) Units IX and X.

Coleman, M. 1998. San Bernardino County Planning staff. Telephone conversation with Eileen Allen, March 23, 1998.

ESA (Environmental Science Associates). 1997. Draft Initial Study California Public Utilities Commission, Southern California Edison Company's Application No. 96-11-046 Proposal For Divestiture.

Inland Energy, Diamond Energy, and RMI. 1994. Preliminary information presented to the California Energy Commission regarding the proposed High Desert Power Plant project.

Redman, L. 1998. Kaiser Ventures representative. Telephone conversation with Eileen Allen, March 24, 1998.

Scott, R. 1998. San Bernardino County Planning staff. Telephone conversation with Eileen Allen, April 3, 1998.

Self, S. 1998. Adelanto Engineering and Planning staff. Telephone conversation with Eileen Allen, March 23, 1998.

Waelder, C. 1998. Industrial real estate broker with Waelder Realty. Interview by Eileen Allen, March 18, 1998.

Weekly, B. 1998. Redlands Community Development staff. Telephone conversation with Eileen Allen, March 17, 1998.

Williams, B. 1998. Office of Planning and Research staff. Telephone conversation with Eileen Allen, March 12, 1998.

GENERAL CONDITIONS INCLUDING COMPLIANCE MONITORING AND CLOSURE PLAN

Errata to the Testimony of ~~Bob Brand~~ Steve Munro

5. SA page 572, replace the second paragraph under “**Planned Closure**” with the following:

The plan shall:

- a) identify and discuss impacts associated with the proposed facility closure activities and a schedule of activities for closure of the power plant site, transmission line corridor, and all other appurtenant facilities constructed as part of the project,
- b) identify any facilities or equipment intended to remain on site after closure and the reason, and any future use,
- c) address conformance of the plan with all applicable laws, ordinances, regulations, standards, local/regional plans in existence at the time of facility closure, and applicable conditions of certification.
- d) identify any necessary mitigation to address significant impacts associated with the closure process or the post-closure status of facilities, equipment, or other project related remnants,
- e) require, prior to submittal of the proposed facility closure plan, a meeting between the project owner and the Commission CPM for the purpose of discussing the specific contents of the plan,
- f) in the event that there are significant issues associated with the proposed facility closure plan’s approval, or the desires of local officials or interested parties are inconsistent with the plan, require one or more workshops and/or Commission hearings.

6. SA page 572, make the following corrections to the third paragraph under “**Planned Closure**”:

The project owner shall take immediate steps to eliminate any immediate threats to public health and safety or the environment, but shall not commence any other facility closure activities, ~~with the exception of measures to eliminate any immediate threats to health and safety or the environment,~~ until Commission approval of the facility closure plan is obtained.

STEVE MUNRO
Compliance Project Manager

EXPERIENCE SUMMARY

In my current position, I work as a team leader coordinating technical staff in tasks related to power plant project design, construction, operation, and associated environmental issues. These activities have included negotiating agreements between power plant operators, public agencies, and community groups and working with engineering and technical staff in identifying and resolving technical issues. Prior to working at the Energy Commission, I worked as a project manager and consultant in other state agencies.

EXPERIENCE RECORD

July 1991 to present, California Energy Commission

Review and process compliance submittals to assure continued compliance of projects with the conditions of the Commission Decision.

Plan, organize, direct and schedule compliance-related activities of staff.

Plan, organize, direct and schedule the work of staff on petitions to amend the conditions of certification contained in Commission power plant decisions.

Prepare letters, memos and reports concerning amendments, and compliance issues and administration.

Organize and conduct workshops and meetings among the staff and between the staff, project licensees, other governmental agencies and members of the public to resolve and discuss issues, procedures, complaints and petitions for amendment involving compliance-related matters.

Assist technical staff in the drafting of compliance conditions to ensure that they are clearly written, effective, and verifiable.

Identify strategic, technical, and policy issues associated with amendments and compliance projects and make policy recommendations.

Arrange, organize, and conduct meetings, audits and on-site inspections to assure continued compliance with Commission requirements.

EDUCATION

B.A. - Degree, University of the Pacific, 1971. Academic Major: Economics.
Post-graduate courses on environmental planning at UC Davis.

**DECLARATION OF
STEVE MUNRO**

I, Steve Munro, declare as follows:

1. I am presently employed by the California Energy Resources Conservation and Development Commission in the Environmental Protection Office of the Energy Facilities Siting and Environmental Protection Division as a Compliance Project Manager (Classification: Planner - Energy Facility Siting).
2. A copy of my professional qualifications and experience is attached hereto and incorporated by reference herein.
3. I prepared the staff testimony on Facility Closure and General Conditions of Compliance for the High Desert Power Project based on my independent analysis of the Application for Certification and supplements thereto, data from reliable documents and sources, and my professional experience and knowledge.
4. It is my professional opinion that the prepared testimony is valid and accurate with respect to the issue(s) addressed therein.
5. I am personally familiar with the facts and conclusions related in the testimony and if called as a witness could testify competently thereto.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Date: _____

Signed: _____

At: Sacramento, CA

Steve Munro

DECLARATION OF

David Flores

I, David Flores declare as follows:

1. I am presently employed by the California Energy Resources Conservation and Development Commission in the Environmental Protection of the Energy Facilities Siting and Environmental Protection Division as a Planner I.
2. A copy of my professional qualifications and experience is attached hereto and incorporated by reference herein.
3. I prepared the staff testimony on Traffic and Transportation for the High Desert Power Plant Project based on my independent analysis of the Application for Certification and supplements hereto, data from reliable documents and sources, and my professional experience and knowledge.
4. It is my professional opinion that the prepared testimony is valid and accurate with respect to the issue(s) addressed therein.
5. I am personally familiar with the facts and conclusions related in the testimony and if called as a witness could testify competently thereto.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Date: _____

Signed: _____

At: Sacramento, CA

David Flores

MATTHEW S. LAYTON

Experience Summary

Eighteen years experience in the electric power generation field, including regulatory compliance and modification; research and development; licensing of nuclear, coal-fired, and combined cycle power plants; and engineering and policy analysis of regulatory issues.

Education

B.S., Applied Mechanics, University of California, San Diego.

Registered Professional Engineer - Mechanical, California.

Experience

1987-present -- Associate Mechanical Engineer, Siting and Environmental Division, California Energy Commission. Review and evaluate power plant proposals, identify issues and resolutions; coordinate with other agencies; and prepare testimony, in the areas of:

- Air quality resources and potential impacts, and mitigation measures.
- Cogeneration conformance, mechanical components, and power plant reliability.

Prepared Commission demonstration project process; contributed to the Energy Technology Status, Energy Development, and Electricity Reports; Project Manager for demonstration project; evaluated demonstration test plans, procedures, data and reports; and disseminated test results.

1983-1986 -- Control Systems Engineer, Bechtel Power Corporation. Managed a multi-disciplined effort to environmentally qualify client's safety related nuclear plant equipment. Performed analyses, calculations and reviews against vendor test reports, NRC guidelines and plant normal and postulated accident conditions. Initiated purchase orders for testing and formulated test objectives and test plans. Developed and implemented plant equipment maintenance and surveillance program based on test results, vendor recommendations and industry operating experiences. Trained client in environmental qualification engineering analysis and equipment maintenance program. Prepared client for NRC audits and presentation.

1981-1983 -- Engineer, GA Technologies, Inc. Supervised design and procurement of full-scale test assembly used to evaluate design changes to operating reactor graphite core assembly. Conducted experiment to determine the relationship of graphite oxidation rate to water concentration, temperature, and helium pressure. Environmentally qualified essential and safety related nuclear power plant equipment to comply with NRC guidelines.

**DECLARATION OF
MATTHEW S LAYTON**

I, Matthew S Layton, declare as follows:

1. I am presently employed by the California Energy Resources Conservation and Development Commission in the Environmental Protection Office of the Energy Facilities Siting and Environmental Protection Division as an Associate Mechanical Engineer.
2. A copy of my professional qualifications and experience is attached hereto and incorporated by reference herein.
3. I prepared the Staff Testimony on Dry Cooling for the High Desert Power Project based on independent analysis of the Application for Certification and supplements thereto, data from reliable documents and sources, and my professional experience and knowledge.
4. It is my professional opinion that the prepared testimony is valid and accurate with respect to the issue(s) addressed in it.
5. I am personally familiar with the facts and conclusions related in the testimony and if called as a witness could testify competently thereto.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Date: _____

Signed: _____

At: Sacramento, CA

MATTHEW S LAYTON

Linda Bond?

DECLARATION OF
Linda Bond

I, Linda Bond, declare as follows:

1. I am presently under work under contract to the California Energy Resources Conservation and Development Commission in the Environmental Protection Office of the Energy Facilities Siting and Environmental Protection Division.
2. A copy of my professional qualifications and experience is attached hereto and incorporated by reference herein.
3. I prepared the Staff Testimony on Water Resources for the High Desert Power Project based on independent analysis of the Application for Certification and supplements thereto, data from reliable documents and sources, and my professional experience and knowledge.
4. It is my professional opinion that the prepared testimony is valid and accurate with respect to the issue(s) addressed in it.
5. I am personally familiar with the facts and conclusions related in the testimony and if called as a witness could testify competently thereto.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Date: _____

Signed: _____

At: Sacramento, CA

LINDA BOND